

Before the  
FEDERAL COMMUNICATIONS COMMISSION  
Washington, D.C. 20554

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FEDERAL COMMUNICATIONS COMMISSION  
OFFICE OF SECRETARY

In the Matter of

Federal-State Joint Board on  
Universal Service

CC Docket No. 96-45

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**FURTHER COMMENTS OF APPLE COMPUTER, INC.**

In response to a request of the Common Carrier Bureau, see PN DA-96-1078 (rel. July 3, 1996) ("FNPRM"), Apple Computer, Inc. ("Apple") hereby submits these further comments in the above-referenced proceeding. In the FNPRM, the Bureau has asked a series of questions designed to elicit answers that will help inform its implementation of Section 254 of the telecommunications Act of 1996. Five of those questions, in particular, highlight aspects of the Commission's proposed universal service rules that are of paramount interest to Apple. These further comments are directed at those five questions.

**Question 6.      Should The Services Or Functionalities Eligible For Discounts Be Specifically Limited And Identified, Or Should The Discount Apply To All Available Services?**

As Apple has stressed before the Commission, the benefits that unlicensed communications technologies can provide will, in the future, be particularly important to schools, libraries, rural users, and others unlikely to be served adequately by licensed-wireless and wired alternatives — users directly targeted by the current universal service proposals.

Wireless technologies provide users with increased mobility and networking flexibility. Both of these attributes are critical for communications networks for schools and libraries where the user population tends to change on a regular basis, where users frequently move about the work area and take field trips outside of the classroom, and where the need to create *ad hoc* networks on demand, or to reconfigure connections without the costs, delays, and other difficulties associated with re-wiring, is essential. Indeed, because of the flexibility and mobility that they provide, the possible range of educational applications for wireless technologies are limitless.

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Today, however, the development and deployment of these technologies in schools, libraries and other academic settings is only just beginning. The Commission's implementation of the universal service requirements can help to speed the process. By creating a system in which schools and libraries have ready access to the communications and information technologies they require, the Commission will help to create a market for these technologies. In turn, the market will produce new technologies and applications never before dreamed of by educators.

It is precisely to enhance network flexibility and promote this symbiotic relationship that the Commission should refrain from limiting the services or functionalities that universal service funds will support. Various schools and libraries will require a various mixes of functionalities; no single prescription will meet the needs of every school and library. Thus, in determining the optimal mix for any given school or library, officials should not be constrained by an overly-restrictive "menu" of covered services. Instead, each school and library should be able to make the choices best suited for its student body or user population in light of its physical and financial resources and its communications and information needs.

By giving schools the widest possible latitude to experiment with alternative services, teachers and administrators will be able to modify their usage of these resources as their understanding of the interaction between technology and learning develops. Moreover, by allowing universal service beneficiaries to choose from an unlimited range of services or functionalities, the Commission will help to ensure that the communications capabilities of these entities evolve as technologies evolve. Schools and libraries, therefore, will be better served by a set of rules that allow universal service discounts to be applied to any service or functionality available in the open market.

**Question 7.      Does Section 254(h) Contemplate That Inside Wiring Or Other Internal Connections To Classrooms May Be Eligible For Universal Service Support Of Telecommunications Services Provided To Schools And Libraries?**

Yes. Under 1996 Act, "eligible telecommunications carriers" are entitled to receive universal service support for the provision of "telecommunications services" to schools. Section 254 does not limit the services that may be provided

under this rubric or the facilities that may be used to provide these services. For the reasons discussed above with respect to eligible services, there is no reason for the Commission to impose such a limit. Thus, to the extent that an eligible telecommunications carrier makes use of inside wiring and internal connections as part of its service offering, the entire integrated service package should be entitled to support.

**Question 10.     Should The Resale Prohibition In Section 254(h)(3) Be Construed To Prohibit Only The Resale Of Services To The Public For Profit, And Should It Be Construed So As To Permit End User Cost-Based Fees For Services? Would Construction In This Manner Facilitate Community Networks And/Or Aggregation Of Purchasing Power?**

The resale restriction in Section 254(h) should not be construed in any manner that would limit the ability of eligible users to engage in network sharing. Through network sharing, schools and libraries will be able to minimize network costs and promote interoperation among diverse user groups. The imposition of cost-based fees may be necessary to effectuate beneficial network sharing arrangements. Thus, a restriction on such fees would be counterproductive.

In addition, the Commission should avoid imposing burdensome record-keeping, monitoring, or other obligations on end users that will hamper their ability to use their networks flexibly and efficiently. In this regard it is important to consider that the beneficiaries of the universal support system will be governmental or quasi-governmental entities committed to public service missions. Accordingly, there should be a strong presumption that these entities will use their entitlement responsibly. As Apple has suggested previously, a simple certification (*e.g.*, a brief letter from an authorized school official) that the provided services are not being resold to the general public for profit should be sufficient to implement the resale prohibition of the 1996 Act.

**Question 15.     What Is The Least Administratively Burdensome Requirement That Could Be Used To Ensure That Request For Supported Telecommunications Services Are Bona Fide Requests Within The Intent Of Section 254?**

Schools and libraries do not have extensive legal or administrative resources to wade through a complex set of rules and regulations governing their

rights to obtain telecommunications services on a discounted basis. In addition, for the reasons set forth above, there should be a strong presumption that schools, libraries and health care providers will act responsibly. Consequently, any request made by an authorized official of the entity seeking service should be deemed sufficient.

**Question 22.     Should Separate Funding Mechanisms Be Established For Schools And Libraries And For Rural Health Care Providers?**

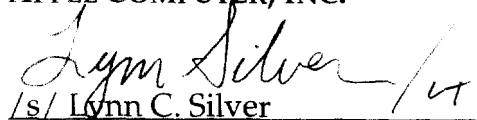
No. To the extent that separate funding mechanisms would detract from the ability of these entities to share facilities or cooperate in network design and operation, they would be counterproductive. In addition, for ease of administration, a single set of rules would speed implementation and best effectuate the purposes of the 1996 Act.

**CONCLUSION**

Apple urges the Commission to implement Section 254(h) in accordance with the comments provided above.

Respectfully submitted,

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